

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 2289 - HB 2541**

March 15, 2018

**SUMMARY OF BILL:** Exempts certain coffee shops owned by religious institutions from property taxation.

**ESTIMATED FISCAL IMPACT:**

**Decrease Local Revenue – Exceeds \$25,000**

Assumptions:

- This legislation requires coffee shops, which are owned by a religious institution, a nonprofit entity, located on real property owned by the institution that is otherwise exempt from property taxes, operated primarily by volunteers, and whose net proceeds are used solely for religious purposes of the institution that owns and operates the coffee shop, to be exempt from property taxation.
- Based on information provided by the Comptroller of the Treasury, coffee shops owned by churches that are open to the public and open during non-church hours are currently denied a property tax exemption under Tenn. Code Ann. § 67-5-212.
- The precise mandatory recurring decrease in local government property tax revenue cannot be determined; however, it is reasonably estimated to exceed \$25,000 per year statewide.
- Any impact to state government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/amj

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